



**Presented to KHPA Board January 20, 2009
Update on Cephalon Inc. and Eli Lilly Global Settlements**

1. Overview of Cephalon Inc. Settlement

- The Kansas Attorney General announced an agreement with the pharmaceutical manufacturer, Cephalon Inc., to settle allegations of improper off-label marketing of the pharmaceutical drugs Provigil, Gabitril, and Actiq.
- The Kansas Medicaid program received over \$1.1 million in reimbursements.
- The settlement reimburses the federal government and numerous states for excessive amounts paid by the Medicaid program due to Cephalon's improper promotion of the three pharmaceutical drugs for uses other than what the Federal Drug Administration approved.

2. Overview of Eli Lilly Settlement

- The Kansas Attorney General announced that Kansas has joined with other states and the federal government to reach an agreement with Eli Lilly and Company, to settle allegations of improper off-label marketing of the anti-psychotic drug Zyprexa. Though Zyprexa is approved to treat schizophrenia and bipolar disorder, Eli Lilly admits to inappropriately marketing Zyprexa for unapproved uses such as the treatment of depression and anxiety.
- Eli Lilly will pay the states and the federal government a total of \$1.4 billion in damages and penalties to compensate Medicaid and various federal healthcare programs.
- The Kansas Medicaid program will receive \$1.1 million in restitution.

Rm. 900-N, Landon Building, 900 SW Jackson Street, Topeka, KS 66612-1220

www.khpa.ks.gov

Medicaid and HealthWave:

Phone: 785-296-3981

Fax: 785-296-4813

State Employee Health

Benefits and Plan Purchasing:

Phone: 785-368-6361

Fax: 785-368-7180

State Self Insurance Fund:

Phone: 785-296-2364

Fax: 785-296-6995

